

**立法會**  
***Legislative Council***

LC Paper No. CB(1)1863/99-00

(These minutes have been seen  
by the Administration)

Ref.: CB1/HS/3/99

**Legislative Council**  
**Subcommittee on payment of honoraria**  
**to Government boards and committees**

**Minutes of meeting**  
**held on Friday, 2 June 2000, at 10:45 am**  
**in Conference Room B of the Legislative Council Building**

**Members present** : Hon Gary CHENG Kai-nam, JP (Chairman)  
Dr Hon David LI Kwok-po, JP  
Hon CHOY So-yuk

**Members absent** : Hon Edward HO Sing-tin, JP

**Public officers** : Mrs Carrie LAM  
**attending** Deputy Secretary for the Treasury

Miss Pat CHUNG  
Treasury Officer, Finance Bureau

**Clerk in attendance** : Ms Pauline NG  
Assistant Secretary General 1

**Staff in attendance** : Mrs Eleanor LAM  
Senior Assistant Secretary (1)2

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**I. Confirmation of minutes of last meeting**

(LC Paper No. CB(1)1236/99-00)

The minutes of the meeting held on 22.2.2000 were confirmed.

**II. Meeting with the Administration**

(LC Papers No. CB(1)1641/99-00 and CB(1)1736/99-00(01))

2. At the Chairman's invitation, Deputy Secretary for the Treasury (DS/Tsy) briefed members that the information on the payment of honoraria to non-official members for Government boards and committees was provided in response to members' request. As there were nearly six hundred advisory and statutory bodies with different nature of work and functions, the Finance Bureau was only in a position to group these committees under the statutory and non-statutory bodies, and have these arranged by bureau. In the absence of consultation with the respective Bureaux, she was also unable to comment on the grouping of committees as presented in the paper prepared by the Legislative Council Secretariat.

3. DS/Tsy also drew members' attention to the financially autonomous status of some of the statutory boards, such as Housing Authority, and the two railway companies, which determined their own remuneration for their directors. As far as the Finance Bureau was concerned, its role was to approve cases which fell within its scope of responsibility and where the rates requested was within the authority delegated to it by the Finance Committee. If the proposal was above the ceiling approved by the Finance Committee, the Bureau or Department concerned would be asked to submit a separate proposal to the Finance Committee for approval.

4. In considering the level of honoraria for members of the boards and committees, DS/Tsy reiterated that it was difficult to determine under what circumstances should remuneration be granted as the circumstances for each case were different. But as a general rule, the common yardsticks were the time spent by members on the work of the committees and the rates adopted by other committees performing similar functions. She was however doubtful if the same yardsticks should also be applied to the boards or governing bodies of public bodies that were not funded by the Government. These public bodies were outside the jurisdiction of the Finance Bureau, and there was no need for them to

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remunerate their members according to the general principles or requirements laid down by the Finance Bureau.

5. At the request of the Chairman, the Clerk introduced the paper prepared by the Secretariat. To facilitate discussion by members on the current remuneration arrangements and the inadequacies identified therein, the paper had highlighted the inconsistencies in remuneration based on the nature of the work of committees. In grouping the committees by their nature of work, reference had been made to the information in the Administration's paper CB(1)1641/99-00 and the respective ordinances, and from subsequent enquiries with the Finance Bureau. The categorizing of the committees was by no means conclusive but it served to provide a general picture of the situation. Among the seven categories of committees, no remuneration was basically granted to three types of committees, viz. district bodies, trust fund bodies and registration/disciplinary boards for professionals and occupations. Inconsistency was however identified in other categories, in particular those playing an advisory role or handling appeal and complaint cases.

6. The Clerk also highlighted that the Secretariat had also sought information on the work of subcommittees, but due to time constraints, the Finance Bureau had only been able to include the details of those subcommittees for which remuneration was granted in the paper it prepared.

7. The Chairman said that the boards and committees had been set up with different background and had undergone a lot of changes over the years. The main objective was to establish consistency which would be fair and acceptable to the public. He stressed that it was not the intention or objective of the Subcommittee to fight for the granting of remuneration for non-official members. Whether or not they were remunerated, he was certain that these non-official members were willing to serve the committees as their public duty. However, if honoraria were to be made, a consistent and fair mechanism ought to exist and it should be followed by all bureaux as far as possible having regard to the special circumstances and the historical background of the committees.

8. Miss CHOY So-yuk agreed with the Chairman that in view of the different historical background, the level of honoraria paid to different boards and committees might be different. It was obvious that a lot of inconsistencies in the granting of remuneration had been revealed. If the matter was not addressed

immediately, the deficiencies in the present arrangements could deteriorate and be subject to even more criticism. She noted that there was no information that the level of honoraria was linked to any requirement of professional knowledge or experience, individual members' contribution or level of responsibilities. Although she was not suggesting that the amount of honoraria should be standardized, she fully advocated the formulation of more scientific means to determine the amount of honoraria and provide an upper and lower limit.

9. DS/Tsy responded that the Administration had acted in accordance with the general principles approved by the Finance Committee. She admitted that there were inconsistencies in the actual implementation but the general principles had always been adhered to. As the Finance Bureau only dealt with cases for which remuneration was proposed, it was not in a position to comment on why remuneration was not granted in other cases which accounted for some 80-90% of the committees. In view of the lapse of time and the increase in the number of boards and committees, the general principles might no longer be able to cope with the increasing complexity of the situation. She agreed that there might be a need to consider some other common yardsticks, but since some 600 committees were involved, with little or no knowledge or understanding on their operations, it would not be advisable to standardize the payment arrangement. In this respect, she was glad that members were also in favour of a more flexible approach.

10. Dr David LI Kwok-po commented some of the boards and committees had been in existence for a long time, their roles and functions might have undergone changes in the light of development in Hong Kong. He was doubtful of the effectiveness of some of the committees especially those which appeared to be performing similar duties. He asked if the Administration had conducted any reviews from time to time to examine the effectiveness of the current Government boards and committees.

11. DS/Tsy said that as the setting up of advisory bodies involved policy decision, the Finance Bureau was not in a position to comment on behalf of other Government bureaux. As an open Government, various forms of consultative mechanism were established to listen to the views of the public and to give advice to the Government in formulating policies. She did not recall any major review conducted in this respect, but there were definitely reviews of individual committees as a result of institutional change within the Government. For

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example, the former Medical Development Advisory Committee was abolished following the establishment of the Hospital Authority to oversee public hospital services and in its place, a Health and Medical Development Advisory Committee focusing more on health issues was established. One indicator to ascertain if the boards and committees were functionally required was to refer to their activity level.

12. Miss CHOY So-yuk shared Dr David LI's view. She was of the opinion that there should be a review on the effectiveness of the advisory committees. She considered that whether or not committee members were remunerated, it was important that these members could play an effective role and the committees were not formed just to satisfy statutory requirement or as a showcase. She noticed that many of the committees were not very active and she hoped that the Administration would not use the setting-up of advisory committees as a means to indicate their policies had the support of the public or the industry.

13. The Chairman remarked that a review of the effectiveness of committees fell outside the scope of the terms of reference of the Subcommittee. The Finance Bureau was only in a position to advise on the financial aspect of those committees which were funded by the Government but not on the policy of remuneration for committee members of public bodies, not to mention the effectiveness of committees. DS/Tsy confirmed that she was unable to respond on behalf of the Administration to the suggestion for a review on the role and effectiveness of Government's advisory bodies.

14. In response to Miss CHOY So-yuk's further enquiry on whether a review would be conducted with a view to establishing guidelines in a scientific way, DS/Tsy reiterated that the Finance Bureau was prepared to update the general principles having taken into account the changes over the years. In determining the new guidelines, reference would be made to the actual applications received and the input and efforts required of the members. As agreed at the last meeting, upon completion of the work of the Subcommittee and subject to the agreement of members, she would issue a reminder to policy bureaux with the general principles which had been approved by the Finance Committee with the necessary updates. The bureaux if considered necessary could consult the committees within their portfolio and consider whether honoraria should also be payable to their chairmen or members.

15. Miss CHOY So-yuk remained doubtful of the effect of the issue of guidelines and opined that a review should be carried out to eliminate further deterioration of the problem. DS/Tsy advised that as a result of the current exercise, some policy bureaux might be more aware of the discrepancy and would take active steps to consider the remuneration arrangements for the committees in their portfolio. The Finance Bureau was prepared to review the criteria with new general guidelines drawn up. The general principles might include the need to consider the frequency, duration or even location of the meetings when determining the rate of honoraria. DS/Tsy also stressed that there was no discrepancy in the level of honoraria for those committees which had been approved by the Finance Committee and funded by Government. The remuneration paid to members of those public bodies established under their own legislation and with their own source of funding was outside the jurisdiction of the Finance Bureau. These bodies, such as Land Development Corporation, the universities, and the Housing Authority, etc., were governed by their respective legislation and were not subject to any general guidelines to be issued by the Government. It was therefore not appropriate to compare the rates of remuneration for members of these financially autonomous bodies with those funded by the Government.

16. Members said that members of the public were particularly concerned about the public bodies which had too much discretion in determining the level of remuneration granted to their committee members. Although legally speaking these public bodies were not paid from Government vote of expenditure, some of them were still financed by public funds. DS/Tsy said that even in the case of these public bodies, the money spent on remuneration was not significant. Besides, some of the chairmen of these committees carried executive functions, such as the Chairperson for the Equal Opportunities Commission who was remunerated at D8 of the Directorate Pay as approved by the Finance Committee.

17. The Chairman enquired about the total public funds spent on the granting of remuneration to the non-official members of the committees. DS/Tsy replied that \$12 million was spent by Government each year for granting honoraria to non-official members of boards and committees funded by the Government. This amount had not included the expenditure spent on the committees of the public bodies which had their own source of funding. In reply

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to Miss CHOY So-yuk, DS/Tsy confirmed the \$12 million was the honoraria for about 10% of the non-official members of all the committees. Only 65 committees involving 1991 members were remunerated. This figure had included the committees not funded by the Government.

18. The Chairman said that whilst the general guidelines could include certain common factors, the roles played by the members on different committees were equally important. The Administration had to determine whether the honoraria paid to members were value for money. He quoted the Independent Police Complaints Council as an example, on which he served as a member, to illustrate the demand of time and effort on the members, which was no less important than that of a professional.

19. Members considered that there was a need to hold another meeting to discuss the possibility of a review of the remuneration arrangement for Government boards and committees, including those financially autonomous bodies funded by Government funds. Although the effectiveness of committees was outside the scope of the discussion on remuneration policy, members considered it appropriate to find out from the Administration whether they had the intention to carry out such a review. The Chairman requested DS/Tsy to bring the matter to the attention of the Chief Secretary or the Director of Administration and invite the Director of Administration to the next meeting of the Subcommittee.

20. As the work of the Subcommittee had to be completed by the end of June 2000, members agreed that the next meeting should be held as soon as possible. The Clerk was requested to make the necessary arrangement and inform members once the date and time was fixed.

21. There was no further business, the meeting closed at 11:30 am.

Legislative Council Secretariat

15 June 2000